

Introduced by Senators Cannella and Wolk

February 18, 2011

An act to amend Sections 6981 and 6988 of the Food and Agricultural Code, relating to agricultural special assessments, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 707, as amended, Cannella. Agricultural special assessments.

Existing law imposes an annual assessment of 1% on the gross sales of all deciduous pome and stone fruit trees, nut trees, and grapevines, including seeds, seedlings, rootstocks, and topstock, including ornamental varieties of apple, apricot, crabapple, cherry, nectarine, peach, pear, and plum, produced and sold within the state or produced within and shipped from the state by any licensed nursery dealer, and provides that for packaged or containerized stock, the assessment shall be levied on the producer's bareroot price of the plants, and specifies the purposes for which the assessment may be used. Existing law provides that the assessment shall be paid into the State Treasury and shall be credited to the Department of Food and Agriculture Fund, a continuously appropriated fund.

This bill would include olive trees within the plants that are subject to the assessment.

By depositing additional money into a continuously appropriated fund, this bill would make an appropriation.

Existing law authorizes the Secretary of the Department of Food and Agriculture, upon consultation with the pome and stone fruit tree, nut tree, and grapevine nursery industry, to appoint a board to assist and

advise him or her concerning the implementation of the assessment and other related provisions of law.

This bill would extend membership on the board to include representatives of licensed olive nursery stock producers, as specified.

Vote: majority. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 6981 of the Food and Agricultural Code
2 is amended to read:

3 6981. (a) An annual assessment of 1 percent shall be levied
4 on the gross sales of all deciduous pome and stone fruit trees, nut
5 trees, olive trees, and grapevines, including seeds, seedlings,
6 rootstocks, and topstock, including ornamental varieties of apple,
7 apricot, crabapple, cherry, nectarine, olive, peach, pear, and plum,
8 produced and sold within the state or produced within and shipped
9 from the state by any licensed nursery dealer. For packaged or
10 containerized stock, the assessment shall be levied on the
11 producer's bareroot price of the plants.

12 (b) The secretary, as appropriate, and on the recommendation
13 of the board established pursuant to Section 6988, may exempt
14 from the assessment certain species of pome and stone fruit, nut
15 trees, *olive trees*, grapevines, or ornamental varieties of apple,
16 apricot, crabapple, cherry, nectarine, olive-trees, peach, pear, and
17 plum if it can be demonstrated that no benefit is derived by these
18 species from programs described in subdivision (d).

19 (c) The assessment shall be applied at the point of sale where
20 the nursery stock is sold by a producer to persons other than
21 California producers of nursery stock that is subject to assessment
22 under subdivision (a).

23 (d) The secretary may set the assessment at a lower percent to
24 cover the costs necessary to implement and carry out all department
25 programs established pursuant to Article 7 (commencing with
26 Section 5821) of Chapter 8 of Part 1 concerning the registration
27 and certification of pome and stone fruit trees, nut trees, olive trees,
28 and grapevines; the University of California foundation plant
29 materials service activities concerning pome and stone fruit trees,
30 nut trees, olive trees, and grapevines; and other activities related

1 to the development of planting materials for pome and stone fruit
2 trees, nut trees, olive trees, and grapevines.

3 SEC. 2. Section 6988 of the Food and Agricultural Code is
4 amended to read:

5 6988. The secretary, upon consultation with the pome and stone
6 fruit tree, nut tree, and grapevine nursery industry, shall appoint
7 a board to assist and advise him or her concerning the
8 implementation of this article.

9 (a) Membership on the board shall consist of 11 representatives,
10 a majority of whom are licensed producers of pome, stone, nut,
11 olive, and grape nursery stock, but also users and a public member
12 as follows:

13 (1) Two each from the stone fruit (including almonds) and nut
14 (other than almond) industries.

15 (2) Four from the grape industry.

16 (3) One each from the pome fruit and olive industries.

17 (4) One public representative.

18 (b) Board members shall represent all areas of the state involved
19 in the production of pome and stone fruit trees, nut trees, and
20 grapevines.

21 (c) The members of the board shall serve for fixed terms of up
22 to two years. The secretary, upon nomination by the industry, may
23 appoint a member for three consecutive terms. The secretary shall
24 reappoint no more than eight of the then-current members of the
25 board within a two-year period.

26 (d) The board shall meet at least twice a year. The chair or the
27 secretary may call any other meeting when it is deemed necessary
28 by one or both of them. Each member shall be allowed per diem
29 and mileage in accordance with Department of Personnel
30 Administration rules for attending any meeting of the board.

31 (e) The board shall review and make recommendations to the
32 secretary concerning the ongoing operations of the department and
33 the University of California pertaining to this article. This shall
34 include advice on fiscal expenditure, assessments needed to cover
35 costs, and proposals concerning the development of planting
36 materials.